

New currency may not stop counterfeiters

By Roger Boye

Within weeks, the United States Treasury is expected to make subtle changes in paper money in an attempt to outwit would-be counterfeiters using color copying machines.

But the impending facelift has failed to impress U.S. Rep. Frank Annunzio [D., Ill.], who saw a sample of the new money in late February.

"I don't think the changes will prevent counterfeiting," said Annunzio, chairman of the House Subcommittee on Consumer Affairs and Coinage. "The Susan B. Anthony dollar was a bust, and this too may be a bust."

The most significant change apparently will be the use of paper containing a clear plastic thread that will run from the top to the bottom of each bill, about an inch from the left edge. Imprinted on the thread will be "USA" followed by the bill's denomination, according to a congressional aide.

Officials also will microprint "United States of America" near both sides of the center portrait. Presumably, the thread and tiny letters will be extremely difficult—if not impossible—to duplicate on copiers.

Under federal law, the U.S. Treasury can alter currency design without the specific approval of Congress. Treasury Secretary James Baker III told the Joint Economic Committee on Feb. 20 that both he and President Reagan had endorsed some "minor changes" to make paper money more "counterfeit-proof."

But Annunzio and Curtis Prins, staff director of the House subcommittee, said on March 6 that the deterrents may fail because store clerks won't take the time to look for them.

"To see the microprint, you'll have to pull out a magnifying glass. To see the strip, you'll have to hold the bill up to the light in a certain way," Prins said. "It's not going to be any easier [than now] for a supermarket cashier to detect counterfeit bills."

Annunzio added that the Treasury plans to make the changes despite his reservations. A public announcement likely will come during the last two weeks of March, a Treasury spokesman said, and the new currency probably will begin appearing in circulation during the next 12 to 18 months.

For at least three years, top-level bureaucrats have studied ways to protect "folding money" from counterfeiters using improved color copiers capable of making quality reproductions.